

## REMARKS

The application contains claims 1-28. Claims 1, 3-5, and 8-28 have been amended. No new matter has been added. In view of the foregoing amendments and following remarks, Applicant respectfully requests allowance of the application.

Claims 1-28 have been rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter.

Applicant thanks Examiner Ngo for the courtesies extended to Applicant's representative Wesley Jones during the telephone interview of April 9, 2008. During the interview, Applicant's representative proposed to amend claim 1 to overcome the outstanding § 101 rejection. Specifically, Applicant's representative proposed to amend claim 1 (and to similarly amend the other pending independent claims) to recite, *inter alia*, "converting, based on the adjusted conversion relation, a quantitative measurement from the base unit of measure to one of the alternative unit of measure respectively to generate a converted quantitative measurement, **the quantitative measurement representing a first quantitative characteristic corresponding to an amount of an item present in an inventory system and the converted quantitative measurement representing a second quantitative characteristic corresponding to the amount of the item present in the inventory system**" (Emphasis added).

After reviewing the proposed amendment, the Examiner indicated during the interview that the § 101 rejection of claim 1 would be overcome by the proposed changes. Applicants therefore submit this amendment in view of the results of the telephone interview and believe claim 1 is directed to statutory subject matter.

Independent claims 5, 10, 14 and 18 have been amended to recite limitations similar to those of claim 1 and so are also directed to statutory subject matter. Therefore, Applicant contends that claims 1-28 are directed to statutory matter and request that this rejection be reconsidered and withdrawn.

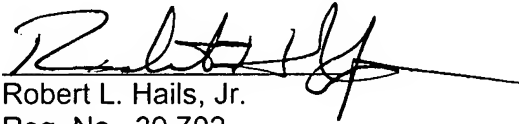
### CONCLUSION

Applicant respectfully requests entry of the above amendments and favorable action in connection with this application. The Office is hereby authorized to charge any additional fees or credit any overpayments under 37 C.F.R. 1.16 or 1.17 to Kenyon & Kenyon Deposit Account No. 11-0600. The Examiner is invited to contact the undersigned at (202) 220-4419 to discuss any matter concerning this application.

All claims are allowable. Allowance is solicited.

Respectfully submitted,  
KENYON & KENYON LLP

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Robert L. Hails, Jr.  
Reg. No. 39,702

KENYON & KENYON LLP  
1500 K Street, N.W.  
Suite 700  
Washington, D.C. 20005  
Tel: (202) 220-4200  
Fax: (202) 220-4201